#### **ARIZONA CORPORATION COMMISSION UTILITIES DIVISION**

#### ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W5-02061A



OAK CREEK UTILITY CORPORATION - WATER P.O. BOX 17357 PHOENIX, AZ 85011

\* 11,101 (water

4,149 (sewer)

ANNUAL REPORT \$ 17,250 TOTAL

En/30/03.

FOR YEAR ENDING

POTAPOSBODAMOSIRA Circulat di Camica

12 31 2002

FOR COMMISSION USE ANN OF

#### **COMPANY INFORMATION**

Company Name (Business Name) _	OAK CREEK UTILITY CORPO	RATION	
Mailing Address Porsox	17357		
Mailing Address Poscoco (Street) (City)	BL	85	011
(City)	(State)	(2	Zip)
Telephone No. (Include Area Code)	(601) 840 - 60 3 U Fax No. (Include Area Code)	Pager/Cell No. (	Include Area Code)
Email Address_			
Local Office Mailing Address	(Street)		
(City)	(State)	(Zi	p)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell N	o. (Include Area Code)
Email Address			
MANA	AGEMENT INFORMATIO	<u>ON</u>	
Management Contact:	Sh Gry (Name)	Presi	den
0 h W	· · · · · ·	(Ti	tle)
$\frac{\cancel{P} \circ \cancel{N} \times \cancel{17357}}{\text{(Street)}}$	$\frac{\int \bigvee \bigvee}{\text{(City)}}$	(State)	(Zip)
(602) 840-8400			30.0
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (In	nclude Area Code)
Email Address			
On Site Manager: Raha	ly Sosin		
POBOX 1796	(Name) Sectional	A	86339 850H
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	(9 28) 282-1776  Fax No. (Include Area Code)	Pager/Cell No. (Inc	lude Area Code)
Email Address			

Statutory Agent: SwA	Srus		
(Street)	(Name) (City)	MZ	85011
	(602) 840-603 D	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code		No. (Include Area Code)
Attorney: Swh Graz			
	(Name)	^	G ( )
P 0 Box 17357 (Street)	(City)	(State)	850 () (Zip)
(602) 840-9400	(607) 840 -6030 Fax No. (Include Area Code)	D (0.11)	No. (Include Area Code)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell N	No. (Include Area Code)
OWN	NERSHIP INFORMATIO	<u>ON</u>	
Check the following box that applies to y	our company:		
Sole Proprietor (S)	C Corporation (C	C) (Other than .	Association/Co-op)
Partnership (P)	Subchapter S Co	rporation (Z)	
Bankruptcy (B)	Association/Co o	p (A)	
Receivership (R)	☐ Limited Liability	Company	
Other (Describe)		•	
	COUNTIES SERVED		
Check the box below for the county/ies in	which you are certificated to pr	ovide service:	
<b>П</b> АРАСНЕ	☐ COCHISE	⊠ co	OCONINO
☐ GILA	☐ GRAHAM	☐ GI	REENLEE
LA PAZ	☐ MARICOPA	Mo	OHAVE
☐ NAVAJO	☐ PIMA	PI	NAL
SANTA CRUZ	☐ YAVAPAI	□ YU	J <b>MA</b>
☐ STATEWIDE			

## COMPANY NAME OAK CREEK UTILITY CORPORATION

#### **UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation	O.C.L.D. (OC less AD)
			(AD)	
301	Organization	172		172
302	Franchises			
303	Land and Land Rights	10,000		10,000
304	Structures and Improvements	600	490	110
307	Wells and Springs	11,000	8,979	2,021
311	Pumping Equipment	10,543	6,334	4,209
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	4,000	3,265	735
331	Transmission and Distribution Mains	25,000	20,405	4,595
333	Services	1,944	1,340	604
334	Meters and Meter Installations	600	490	110
335	Hydrants			
336	Backflow Prevention Devices		:	
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	950	216	734
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	64,809	41,519	23,290

This amount goes on the Balance Sheet Acct. No. 108

## COMPANY NAME OAK CREEK UTILITY CORPORATION

#### CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct.		Original	Depreciation	Depreciation
No.	DESCRIPTION	Cost (1)	Percentage (2)	Expense (1x2)
301	Organization	172		
302	Franchises			
303	Land and Land Rights	10,000		
304	Structures and Improvements	600	2.50%	15
307	Wells and Springs	11,000	2.50%	275
311	Pumping Equipment	10,543	2.50%	264
320	Water Treatment Equipment	,		
330	Distribution Reservoirs and Standpipes	4,000	2.50%	100
331	Transmission and Distribution Mains	25,000	2.50%	625
333	Services	1,944	2.50%	49
334	Meters and Meter Installations	600	2.50%	15
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	950	2.50%	24
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	64,809		1,367

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



To The Board of Directors of The Water Division of Oak Creek Utility Corporation Phoenix, Arizona

We have compiled the balance sheet of The Water Division of Oak Creek Utility Corporation as of December 31, 2002 and 2001, and the related comparative statement of income and expenses for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

The Company, with the consent of its shareholders, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Whom + Company

ULLMANN & COMPANY, P.C. Certified Public Accountants

April 14, 2003

### COMPANY NAME OAK CREEK UTILITY CORPORATION

#### **BALANCE SHEET**

Acct. No.		BEGI	ANCE AT NNING OF	F	ANCE AT
	ASSETS		YEAR		YEAR
···	CURRENT AND ACCRUED ASSETS				
131	Cash	\$	272	\$	522
134	Working Funds				
135	Temporary Cash Investments				
141	Customer Accounts Receivable		698		752
146	Notes/Receivables from Associated Companies				
151	Plant Material and Supplies				
162	Prepayments				
174	Miscellaneous Current and Accrued Assets				
	TOTAL CURRENT AND ACCRUED ASSETS				
		\$	970	\$	1,274
	FIXED ASSETS				
101	Utility Plant in Service	\$	64,809	\$	64,809
103	Property Held for Future Use				
105	Construction Work in Progress				
108	Accumulated Depreciation - Utility Plant		40,152		41,519
121	Non-Utility Property				
122	Accumulated Depreciation - Non Utility				
	TOTAL FIXED ASSETS	\$	24,657	\$	23,290
	TOTAL ASSETS	\$	25,627	\$	24,564

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page

#### **BALANCE SHEET (CONTINUED)**

Acet. No.			ANCE AT GINNING F YEAR		
	CURRENT LIABILITES				
231	Accounts Payable	\$	470	\$	227
232	Notes Payable (Current Portion)	Ψ	170	Ψ	
234	Notes/Accounts Payable to Associated Companies				
235	Customer Deposits	-	77		702
236	Accrued Taxes		160		158
237	Accrued Interest				<u></u>
241	Miscellaneous Current and Accrued Liabilities		47,779		71,806
	TOTAL CURRENT LIABILITIES	\$	48,486	\$	72,893
	LONG-TERM DEBT (Over 12 Months)				
224	Long-Term Notes and Bonds	\$	-	\$	_
	DEFERRED CREDITS				
251	Unamortized Premium on Debt	-			
252	Advances in Aid of Construction		1,330		1,120
255	Accumulated Deferred Investment Tax Credits				ALC: 11
271	Contributions in Aid of Construction				
272	Less: Amortization of Contributions				
281	Accumulated Deferred Income Tax				
	TOTAL DEFERRED CREDITS	\$	1,330	\$	1,120
	TOTAL LIABILITIES	\$	49,816	\$	74,013
	CAPITAL ACCOUNTS				
201	Common Stock Issued	\$	1,100	\$	1,100
211	Paid in Capital in Excess of Par Value		1,400		1,400
215	Retained Earnings		(26,689)		(51,949)
218	Proprietary Capital (Sole Props and Partnerships)				
	TOTAL CAPITAL	\$	(24,189)	\$	(49,449)
	TOTAL LIABILITIES AND CAPITAL	\$	25,627	\$	24,564

#### **COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRI	OR YEAR	CURRI	ENT YEAR
461	Metered Water Revenue	\$	9,007	\$	9,202
460	Unmetered Water Revenue				
474	Other Water Revenues		377	***	1,251
	TOTAL REVENUES	\$	9,384	\$	10,453
			11-111-2-200		
	OPERATING EXPENSES				
601	Salaries and Wages		1-010-1111		
610	Purchased Water				
615	Purchased Power		515		554
618	Chemicals				
620	Repairs and Maintenance		1,422		11,733
621	Office Supplies and Expense		286		285
630	Outside Services		9,296		10,724
635	Water Testing		2,037		1,777
641	Rents		1,503		1,200
650	Transportation Expenses		757		548
657	Insurance - General Liability				
659	Insurance - Health and Life		· · · · · · · · · · · · · · · · · · ·		
666	Regulatory Commission Expense - Rate Case		· · · · · · · · · · · · · · · · · · ·		
675	Miscellaneous Expense		2,575		3,286
403	Depreciation Expense		1,367	***************************************	1,367
408	Taxes Other Than Income				
408.11	Property Taxes		463		399
409	Income Tax				
	TOTAL OPERATING EXPENSES	\$	20,221	\$	31,873
	OTHER INCOME/EXPENSE	79.12 / 44.44			
419	Interest and Dividend Income	\$	_	\$	_
421	Non-Utility Income	Ψ		Ψ	
426	Miscellaneous Non-Utility Expenses				t e
427	Interest Expense		17		13
	TOTAL OTHER INCOME/EXP	\$	(17)	\$	(13)
		-	(17)	*	(13)
	NET INCOME/(LOSS)	\$	(10,854)	\$	(21,433)

#### SUPPLEMENTAL FINANCIAL DATA Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$1,120
Meter Deposits Refunded During the Test Year	\$210

#### WATER COMPANY PLANT DESCRIPTION

#### **WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
	Shb	50		8	4	

• Arizona Department of Water Resources Identification Number

#### **OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Non		

BOOSTER PUMPS		FIRE HYDRANTS		
Horsepower	Quantity	Quantity Standard	Quantity Other	
None		Non		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
• —		2 001)	
		actsas	storage table
			$\mathcal{O}$

#### WATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### **MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

#### **CUSTOMER METERS**

Quantity
23

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

A) SNA

OTHER:

COMPANY NAME:	

#### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	) A	111600	(Thousands)
FEBRUARY	28	62 5 tro	
MARCH	28	79450	
APRIL	29	106700	
MAY	2.9	167500	
JUNE	29	209450	
JULY	23	175900	
AUGUST	29	180 700	
SEPTEMBER	28	1118000	
OCTOBER	29	10,300	
NOVEMBER	29	82200	
DECEMBER	29	68600	
	TOTAL	N/A	

1452300

Is the Water Utili	ty located in an ADV	WR Active Management Area (AMA)?
( ) Yes	No No	
Does the Compar	ny have An ADWR C	Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes	No No	
If yes, provide the	GPCPD amount:	
What is the level of (If more than one well, ple		ell on your system, 0073 _mg/l

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME OAK CREEK UTILITY CORPORATION YEAR ENDING 12/31/2002		
PROPERTY TAXES		
Amount of actual property taxes paid during Calendar Year 2002: \$		
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.		
If no property taxes paid, explain reasons below:		

COMPANY NAME OAK CREEK UTILITY	CORPORATION	_ YEAR ENDING 12/31/2002		
<u>IN</u>	COME TAXES			
For this reporting period, provide the following:				
Federal Taxable Income Reported Estimated or Actual Federal Tax Liability	0 (S-CORPORATION) 0 (S-CORPORATION)	- -		
State Taxable Income Reported Estimated or Actual State Tax Liability	0 (S-CORPORATION) 0 (S-CORPORATION)	- -		
Amount of Grossed-Up Contributions/Advances:	:			
Amount of Contributions/Advances Amount of Gross-Up Tax Collected Total Grossed-Up Contributions/Advances	0 0 0			
Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.				
CERTIFICATION				
The undersigned hereby certifies that the Utility prior year's annual report. This certification is corporation; the managing general partner, if company or the sole proprietor, if a sole proprietor	to be signed by the President a partnership; the managing	or Chief Executive Officer, if a		
SIGNATURE	DATE			
PRINTED NAME	TITLE			

#### 14

## VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only



VERIFICATION

STATE OF

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) MARICOPA

NAME (OWNER OR OFFICIAL) TITLE SCOTT W. GRAY, PRESIDENT

COMPANY NAME OAK CREEK UTILITY CORPORATION

#### DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPRORATION COMMISSION

FOR THE YEAR ENDING

MONTH DAY YEAR
12 31 2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### **SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM <u>ARIZONA INTRASTATE</u> UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$\_\_\_\_\_11,101\_\_\_\_\_\_

(THE AMOUNT IN BOX ABOVE INCLUDES \$\_\_647\_
IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15 DAY OF

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

COUNTY NAME Maricopa

MONTH April

20<u>0</u>3

(SEAL)

MY COMMISSION EXPIRES

Notary Public State of Arizona

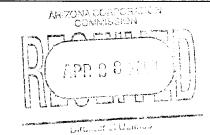
Maricopa County

D Worrell

Expires July 29, 2006

SIGNATURE OF NOTARY PUBLIC

# VERIFICATION AND SWORN STATEMENT RESIDENTIAL REVENUE INTRASTATE REVENUES ONLY



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

(COUNTY NAME) MARICOPA

NAME (OWNER OR OFFICIAL) SCOTT W. GRAY TITLE PRESIDENT

COMPANY NAME OAK CREEK UTILITY CORPORATION

**OF THE** 

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH DAY YEAR 12 31 2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### **SWORN STATEMENT**

ARIZONA INTRASTATE GROSS OPERATING REVENUES

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

\$ <u>11,101</u>	IN SALES TAXES BILLED, OR COLLECTED
*RESIDENTIAL REVENUE REPORTED ON THIS MUST INCLUDE SALES TAXES BILLED.	x
	SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

**THIS** 

15

DAY OF

NOTARY PUBLIC NAME

D. WOLVELL

COUNTY, NAME

WARRICAPE

MONTH April

2003

(SEAL)

Notary Public State of Arizona Maricopa County

MY COMMISSION IR Worrell Expires July 29, 2006

x Denoully

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 647

SIGNATURE OF NOTARY PUBLIC

Coconino County Treasurer Tax Receipt Pg: 1

Phone: (928)779-6615

Paid by: OAK CREEK UTILITY CORP NREC BATCH: 502629

NREC BATCH: 5026295
Payment Date: 11/19/2002
Interest Date: 10/31/2002
Printed by: JOWEN

Printed by: JOWEN

DUPLICATE Printed: 5/08/2003

Description Amount Balance Due --- If paid by

982-70-975T 2002 TAXES 118.98 TOTL 118.98

TOTAL PAID 118.98

The balance due might contain amounts from previous del

TOTAL VALUE OF OPERATING PROPERTY

405-25-071 8,986

Coconino County Treasurer Tax Receipt Pg: 1

Phone: (928)779-6615

Paid by: OAK CREEK UTILITY CORPORATION NREC BATCH: 5054081

NREC BATCH: 5054081
Payment Date: 4/30/2003
Interest Date: 4/30/2003
Printed by: CHARTZ

Printed by: CHART

,

Description Amount Balance Due --- If paid by

982-70-975T 2002 TAXES 118.98 TOTL 118.98 \*

TOTAL PAID 118.98

The balance due might contain amounts from previous del

TOTAL VALUE OF OPERATING PROPERTY

405-25-071 8,986

Coconino County Treasurer Tax Receipt Pg: 1

Phone: (928)779-6615

Paid by: OAK CREEK UTILITY CORP

NREC BATCH: 5026295
Payment Date: 11/19/2002
Interest Date: 10/31/2002
Printed by: IDODD

Amount Balance Due --- If paid by Description

19.64 948-90-970 2002 TAXES 19.64 \* TOTL 19.64 TOTAL PAID

The balance due might contain amounts from previous del

TOTAL VALUE OF OPERATING PROPERTY

Oak Creek Utility Corporation P.O. Box 17357 Phoenix, Arizona 85011 (602) 840-9400

May 21, 2003

ARIZONA CORPORATION COMMISSION

MAY 2 3 2003

Director of Seminary

Carmen Madrid
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: Supplement to the 2002 Annual Report

Dear Carmen,

Enclosed are real property tax receipts from Coconino County paid during 2002 for the water and sewer operations of Oak Creek Utility Corporation. Please attach all 3 pages to both of the 2002 Annual Report of Oak Creek Utility Corporation for sewer and for water services.

Thank you for your assistance in this matter. Please contact me if any additional information is required.

Sincerely,

Scott W. Gray

President